

Dear Honorable Martin Glenn,

The definition of fraud is “wrongful or criminal deception intended to result in financial or personal gain.” At this point in my journey with Celsius, I feel that Alex Mashinsky and the Celsius executives were actively deceiving depositors and committing fraud. Recklessly trading, lending, manipulating CEL token, and doing exactly opposite of what they said they were doing and ultimately benefitting financially, in the meantime, creditors, like myself, will most likely lose a good portion of their cryptocurrency, if not all of it. I believe that Mashinsky and the executive team should be immediately terminated from Celsius. They have no business running a financial services company. They continue to pay themselves very well and further deplete customer funds by paying lawyers to defend their actions, which, in my opinion, is indefensible.

The whole situation is sickening. Lies, lies, and more lies. Alex looked us in the face on his weekly AMA's and unashamedly lied to our faces; regularly and consistently. We all trusted Alex and his whole mantra of complete transparency was deception at the highest level. There are countless videos from the AMA's that while ultimately prove this to be true.

I personally have about over a million dollars in BTC and Ethereum, in today's prices, that I can't withdraw from Celsius, not including the 500,000 CEL token that I haven't counted. Most of us are feeling very stupid and ashamed. We have been conned by the ultimate con artist. This company has ruined people's lives.

Here are the major points that I think the court should consider as part of the Chapter 11 restructuring.

1. The business model was sold as a peer to peer lending model. Over collateralized lending of customers crypto to sound institutions and returning the profits to users in the form of yield. Traditional finance banks were the bad guys, keeping all the profits for the shareholders, while the depositors were getting nothing. Celsius was supposedly doing the opposite. We don't know if this was ever done. As we're finding out, the funds were used for trading, bad loans, risky Defi projects Bitcoin mining. Lie #1.
2. Borrowing from FirstEquities and losing \$400+ million dollars in collateral in June of 2021. If Celsius was being transparent, as they said they always were, they would've reported this to its customers, but they didn't. Lie #2.
3. Mashinsky kept claiming that he had not sold any of his CEL token, as it allegedly, turns out, he was selling back to the Celsius treasury to the tune of \$40 million, all while he was telling his customers to HODL. Enriching himself. This would be fraud. Lie #3.
4. Your funds are safer with Celsius than at a bank. Lie #4. Week after week after week we heard this. Knowing all too well that there was bigger and bigger hole in the balance sheet as time went on. Our crypto was anything but safe.
5. I could add many more to the list, but these, in my mind, are some of the big ones.

I have also applied to be on the creditors committee.

Thank you,
Paul Chiapuris